

Objectives for 2006

LISTING

1. Cooperate with the relevant authorities to promote the establishment of "International Securities Market Board".
2. Enlarge the scale of the securities market.
3. Conduct research on how to urge listed companies to comply with corporate governance code in accordance with the related articles newly amended in Securities and Exchange Act in January 2006.
4. Continue to extend the functions of the database system of listed companies on TSEC and GreTai Securities Market.
5. Review and revise regulations related to information disclosure, and enhance verification and disclosure of material information of listed companies.
6. Conduct research on dual-listing, and enhance the international visibility of the domestic market.

TRADING

1. Promote cross-border trading in cooperation with the policies of the relevant authorities.
2. Plan for the adjustment of the block-trading system, and provide a pre-match option.
3. Continue to review the effect of smaller tick size.
4. Investigate the feasibility of further relaxing the restrictions on the short sale price not below previous close for more qualified stocks.
5. Promote the listing of exchangeable government bonds.
6. Investigate the possibility of allowing securities firms to engage in funds borrowing and lending business, and allowing them to engage in the entrustment business of safeguarding and employing surplus funds arising from securities buying and selling by clients.
7. Implement funds settlement in the securities market via "the operation system of funds transfer and liquidation within the bank trade of the central bank".
8. Promote delivery versus payment (DVP) on T+2 throughout the market.

COMPUTER APPLICATIONS AND INFORMATION SERVICES

1. Continue to improve TSEC's website, internet reporting and internet inquiry business.
2. Strengthen the safety and security of internet access, as well as provide systems for regular audits of internet safety and problem detection.
3. Promote the information exchange platform.
4. Continue to improve trading and internet related systems.
5. Establish an independent computer center.
6. Develop a futures trading system in cooperation with other organizations.

OTHERS

1. Actively cooperate with the relevant authority in promoting the Taiwan securities market so as to gain the status of "Developed Market" from the FTSE Group.
2. Cooperate with the relevant authority to proceed with organization-restructuring plan of Taiwan Stock Exchange and peripheral securities organizations.
3. Continue to compile various new indices and issue ETFs based on these new indices.
4. Continue to participate in and host international organization meetings, and actively sign cooperation memoranda with leading exchanges in the world.
5. Intensify TSEC's internal control systems and internal audit functions.



Compiling and promoting
new indices in cooperation



with FTSE